NARUC Staff Committee Meetings November 13, 2005

<u>Mid-Atlantic Distributed Resources Initiative Creates Toolbox of</u> <u>Resources for State PUCs to Help with Advanced Metering Choices</u>

Premises

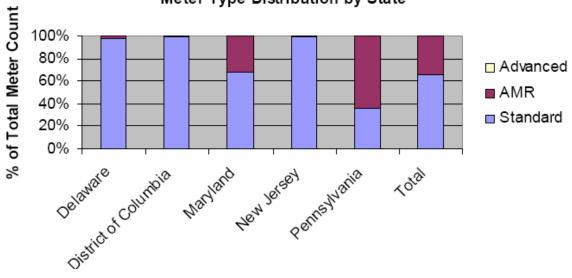
Smarter rates offer benefits to customers and the electric system. Technology can improve distribution system planning and operation, customer service and satisfaction and support demand response, distributed generation and energy efficiency.

What are advanced meters?

Most Advanced Meters take hourly measurements that are reported daily by phone. About three-quarters of the Advanced Meters can communicate bi-directionally.

Observations (from a survey commissioned by MADRI)

Deployment of Advanced Meters is slow. (~1% of meters in the region – does not show up) Distinguish from automatic, drive-by meter reading (effort needed to keep difference clear)



Meter Type Distribution by State

EPACT 2005 requires examination by state PUCs of smart meters and time based rates.

Synthesis

Value of advanced meters may be unrealized because benefits accrue to different parties. State regulators' decisions can benefit from this collection of cutting edge information. Visit: <u>http://www.energetics.com/madri/toolbox</u>

MADRI ADVANCED METERING INFRASTRUCTURE (AMI) "TOOLBOX" A compilation of reports, studies, and other web resources related to advanced metering infrastructure options

Mid Atlantic Distributed Resources Initiative (MADRI) Announces "Tool Box" To Help State PUCs Evaluate Advanced Metering Alternatives

October 31, 2005. While a newly-enacted federal law requires states to consider time-based metering, public utility commissions (PUCs) now have a resource to help them evaluate options for deploying advanced electric meters and related advanced metering infrastructure (AMI). The Mid Atlantic Distributed Resources Initiative (MADRI) "AMI Tool Box," developed with funding from the U.S. Department of Energy, provides web-based access to a compilation of studies, reports and contacts that will help states learn more about AMI, including technical and business case considerations. The Tool Box can be accessed at http://www.energetics.com/madri/toolbox/.

A survey conducted in April 2005 by MADRI found that relatively few electric consumers throughout the Mid-Atlantic have advanced meters installed. That precludes state regulators from adopting rate structures that make it valuable for those consumers to shift electric consumption through demand response or distributed generation.

"State PUCs have an important job to do under new federal energy legislation," said Commissioner Richard E. Morgan of the District of Columbia Public Service Commission, who chairs the MADRI steering committee that oversees the initiative. "MADRI's AMI Tool Box can help states evaluate advanced metering along with new pricing structures." Morgan added, "With energy prices rising, advanced metering could provide consumers with options to save money by shifting or reducing their electricity consumption, or perhaps by generating their own power."

"Demand response is very important to well-functioning electric markets and to grid reliability, and more deployment of advanced meters will enable customers to benefit from actions that have value in the wholesale electric market," said Susan T. Covino, Manager of Demand Side Response at the PJM Interconnection. A May 2005 workshop featuring U.S. and Canadian experts drew regulators' attention to the need for deploying more advanced meters in the region. Information on the MADRI AMI workshop and the MADRI advanced meter survey can be found at <u>http://www.energetics.com/MADRI/</u>.

MADRI was established in 2004 by the public utility commissions of Delaware, District of Columbia, Maryland, New Jersey and Pennsylvania, along with the U.S. Department of Energy (DOE), U.S. Environmental Protection Agency (EPA), Federal Energy Regulatory Commission (FERC) and PJM Interconnection, to provide assistance to states to develop regional policies and market-enabling activities to support distributed generation, demand response, and energy efficiency in the Mid-Atlantic region.

Besides advanced metering, MADRI is exploring several other areas critical to the development of demand response, distributed generation, and energy efficiency. These activities are focused on environmental policy, regulatory policies, small generator interconnection, and business case tasks. The MADRI Working Group meets approximately every eight weeks. Interested stakeholders are welcome at the next scheduled MADRI Working Group Meeting on December 12 in Wilmington, Delaware. For information, contact Linda Poindexter with DOE's Mid-Atlantic Regional office at 215.656.6986; Linda.Poindexter@ee.doe.gov.